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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/897,226	07/02/2001	Kevin P. McAuliffe	6169-206	9030

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EXAMINER

BEKERMANN, MICHAEL

ART UNIT	PAPER NUMBER
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3622

MAIL DATE	DELIVERY MODE
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01/03/2008

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/897,226

Applicant(s)

MCAULIFFE ET AL.

Examiner

Michael Bekerman

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 October 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-48 is/are pending in the application.
- 4a) Of the above claim(s) 21,22,47 and 48 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-20 and 23-46 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 10/12/2007 has been entered.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

2. **Claims 9, 10, 19, 20, 35, 36, 45, and 46 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement.**

Regarding claims 9, 10, 19, 20, 35, 36, 45, and 46, the claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. It is unclear how applicant intends to bias a straight comparison in favor on one party over the other. Further, it is unclear how the system might bias the incentives associated with an agreement. An agreement is a middle

ground agreed to by 2 parties. Do these claims suggest that once an agreement is reached, the agreed upon incentives will be altered (minimized or maximized)? Would this arrangement then still be considered an "agreement". There is still no suggestion of this being a "biasing" in the specification, nor is there any explanation of how to perform "biasing" in the specification. According to the specification, maximizing and minimizing incentives (monetary values) is handled by CPRs and MBOs, and this can hardly be considered a biasing in favor of either party..

3. **Claims 1, 9-11, 19, 20, 23, 27, 35-37, 45, and 46 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement.** The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

Regarding claims 1, 11, 23, 27, and 37, these claims recite the limitation "wherein said negotiation is performed by a negotiation engine configured to consider said MBOs, said CPRs, and at least one other rule". In the specification, there are no other rules described except for the MBOs and the CPRs. There is a broad general statement in the specification that the negotiation engine might be "biased", however no description is given for doing this. There is not enough information in the specification to be able to state that this bias could potentially be another rule to be taken into account. For example, the relevant paragraph in the specification (Page 14, Lines 18-

23) states "the party installing the privacy negotiation system can bias the system towards the party's objectives". This could simply mean that the merchants will deny access to certain consumers, and the cited language is certainly not enough information to support a new "rule" for consideration.

Regarding claims 9, 10, 19, 20, 35, 36, 45, and 46, these claims recite the limitation "said other rule is operable to bias...in favor of the consumer [or merchant] by maximizing [or minimizing] a value of said negotiated incentives in said agreement". All limitations recited after the word "by" in these claims are not supported by the specification. As stated above, the specification only has support for a general biasing, but what that biasing entails (or how to perform such a step) is not described in the specification. The specification describes the CPRs and the MBOs as maximizing or minimizing incentives through monetary values (as described on Page 17, Lines 1-7), but nowhere is this related to as a definition for the aforementioned biasing. Further, these steps are taken by information contained in MBOs and CPRs, with no other rules being utilized.

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

- 4. Claims 9, 10, 19, 20, 35, 36, 45, and 46 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.**

Regarding claims 9, 10, 19, 20, 35, 36, 45, and 46, these claims recite the limitation "said comparing step is biased in favor of". It is unclear how a straight comparison may be biased in favor of a merchant or a consumer. Examiner argues that a comparison is inherently in favor of the participant who finds the results of the comparison the most useful. Further, it is unclear how the system might bias the incentives associated with an agreement. An agreement is a middle ground agreed to by 2 parties. Do these claims suggest that once an agreement is reached, the agreed upon incentives will be altered (minimized or maximized)? Would this arrangement then still be considered an "agreement"?

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

5. **Claims 1-20 and 23-46 are rejected under 35 U.S.C. 102(b) as being anticipated by Goldhaber (U.S. Patent No. 5,794,210).** Goldhaber teaches a system and method for e-commerce transaction negotiation that includes all of the limitations recited in the above claims.

Regarding claims 1, 11, 23-25, 27, and 37, Goldhaber teaches software that represents a negotiation engine using software agents that represent Consumer Privacy Rules and Merchant Business Objectives. Goldhaber teaches CPRs (software agent

equipped with a consumer interest profile and specific buy/sell instructions) (Column 16, Lines 24-29 and Column 19, Lines 28-31), MBOs (Salesmen or bidding agents that have incentive or pricing information) (Column 4, Lines 58-59 and Column 19, Lines 31-33), exchange of consumer information (upon viewing the advertisement, the consumer answers questions) (Column 16, Lines 10-15), and comparison to determine if an agreement can be made (once an advertisement is found to present to the consumer, the consumer views the advertisement and presents consumer information for payment) (Column 16, Lines 24-29). The selected good is considered to be the consumer's information commodity associated with bidding/asking price. Consumer software agents have specific buy and sell instructions issued by the consumer, and this reads on consumer-specified rules specifying minimum cash and cash-equivalents. The software agents are created through the system of Goldhaber (Figure 15). The creation of software agents are equivalent to the creation of MBOs and CPRs. Then the software of Goldhaber, which represents the "negotiation engine", uses these software agents (MBOs and CPRs) to negotiate and consummate a transaction in which information is exchanged (while Goldhaber teaches consumer or merchant interaction during this process, Goldhaber also teaches no consumer or merchant interaction during this process) (Figure 15, Column 20, Lines 8-35). Whether or not the software agents are authorized to consummate a transaction is "one other rule" that is considered by the software (negotiation engine) of Goldhaber.

Regarding claims 2, 12, 28, and 38, Goldhaber teaches providing e-commerce transaction information to a processing system (Column 16, Lines 13-15).

Regarding claims 3-6, 13-16, 29-32, and 39-42, Goldhaber teaches the adjusting of pricing structures by bidding for consumer attention (Column 4, Lines 52-62). Counter offers are taught by attention bidding. Further, Goldhaber teaches buyer and seller agents as negotiating transactions (Column 8, Lines 26-28) and agent aided negotiation and bidding (Column 20, Line 51). Counter offers are inherent in negotiation situations.

Regarding claims 7, 8, 17, 18, 26, 33, 34, 43, and 44, Goldhaber uses CyberCoin, which is a cash equivalent. Before joining the system, it is inherent that the user will agree (by signing up) to the form of compensation.

Regarding claims 9, 10, 19, 20, 35, 36, 45, and 46, Goldhaber's selling agent software portion of the negotiation engine software inherently seeks the highest price for the seller that can be agreed upon while the buying agent software portion of the negotiation engine software inherently seeks the lowest price for the buyer that can be agreed upon (The higher the price, the lower the "incentive" for the buyer and vice versa).

Response to Arguments

6. Amendments to the rejections along with new rejections and any responses have all been underlined for Applicant's convenience.

In response to the 112 rejections, Applicant points to specific portions of the specification on pages 4 and 16. In these portions, it simply states that the party installing the software may bias the system in favor of the consumer or the merchant.

This is essentially what the claims state. However, it is unclear how a bias may be set in this comparison. The system takes merchant criteria and customer criteria, holds them to be compatible with each other or incompatible, and returns that determination. In a simplistic example, the merchant may create a rule stating "I want to sell X for \$30" and consumer A may create a rule stating "I want to buy X for \$10" while consumer B creates a rule stating "I want to buy X for \$30". When the comparison takes place, a determination is returned that an agreement could be reached with consumer B and not necessarily with consumer A. Examiner fails to understand how a comparison may be biased, and while the specification recites that a bias may take place, it lacks an enabling description as to how the system is able to bias a straight comparison. Thus, this rejection is maintained.

In response to the 102 rejections, Applicant argues that "the software agents in Goldhaber perform the buying and selling without any intermediary engine. The 'floor', as provided by Goldhaber only provides a common location for the agents to interact". Figure 15 of Goldhaber clearly shows that the software agents of Goldhaber are part of the overall software system of Goldhaber. A buyer agent represents code signifying CPRs. A seller agent represents code signifying MBOs. The software as a whole is a negotiating engine. Goldhaber as a whole is the intermediary engine.

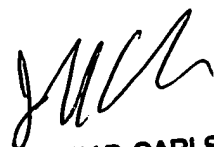
Conclusion

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Michael Bekerman whose telephone number is (571) 272-3256. The examiner can normally be reached on Monday - Friday, 7:30 - 3:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric W. Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

MB


JEFFREY D. CARLSON
PRIMARY EXAMINER